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Stare at **Wife** Waiver of Late fee of GSTR-9C



CA. Manish Gupta



Adv. Vivek Laddha

LL.B., CA, CMA, CS

CHURCHGATE: 209, Standard House, 83, MK Road, Next to Axis Bank, Marine Lines, Churchgate, Mumbai.

FORT: 729 , BSE Building, Rotunda Tower, Dalal Street, Fort, Mumbai

 www.lawbrothers.in |  info@lawbrothers.in |  **94607-24737;**

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Understanding of Governing Provisions:

- ☐ Applicability of GSTR 9 and GSTR 9C (Threshold- Year wise)
- ☐ Controlling provision vs late fee provision for GSTR-9 and GSTR 9C (Year wise)
- ☐ Text of Legal Provisions (for Ready reference- At the last of this deck)

Understanding of Waiver Provisions:

- ☐ Notification (bare text)
- ☐ Waiver of late fee: Provisions in Act & Notification
- ☐ Eligibility criteria to take the benefit of waiver of late fee of GSTR 9C
- ☐ Sun does not rise for those who have paid the late fee earlier !!

Applicability of GSTR-9 & GSTR-9C

Aggregate Turnover (PAN Based AATO)	GSTR- 9 (Annual Return)	GSTR- 9 C (Reconciliation Statement)
Upto Rs. 2 Cr	Optional	N/A
More than Rs. 2 Cr but not exceeding Rs. 5 Cr	Mandatory	Optional (Filing of GSTR -9C is mandatory for FY 2017 18, on exceeding the aggregate turnover of 2 Cr)
More than Rs. 5 Cr	Mandatory	Mandatory
For ISD , CTP , NRTP, Person deducting TDS or collecting TCS	N/A	N/A



MINISTRY OF FINANCE
(Department of Revenue)
(CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS)
NOTIFICATION

New Delhi, the 23rd January, 2025

No. 08/2025 – CENTRAL TAX

S.O. 419(E).— In exercise of the powers conferred by section 128 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereinafter referred to as the said Act), the Central Government, on the recommendations of the Council, hereby waives the amount of late fee referred to in section 47 of the said Act in respect of the return to be furnished under section 44 of the said Act, for the financial years 2017-18 or 2018-19 or 2019-20 or 2020-21 or 2021-22 or 2022-23, which is in excess of the late fee payable under section 47 of the said Act upto the date of furnishing of FORM GSTR-9 for the said financial year, for the class of registered persons, who were required to furnish reconciliation statement in FORM GSTR-9C along with the annual return in FORM GSTR-9 for the said financial year but failed to furnish the same along with the said return in FORM GSTR-9, and furnish the said statement in FORM GSTR-9C, subsequently on or before the 31st March, 2025:

Provided that no refund of late fee already paid in respect of delayed furnishing of FORM GSTR-9C for the said financial years shall be available.

Observation Note: Taxpayers who couldn't file GSTR-9C now have the opportunity to regularize their filings without facing hefty late fees. Notification waives the late fee for filing GSTR-9C by March 31, 2025, for the period from 2017-18 to 2022-23. This waiver applies only to the excess late fee that would have been charged after the deadline for filing GSTR-9. Council Recommendation is given at the last.

Controlling Provision vs Late Fee provision for GSTR-9 and GSTR 9C (Year wise)

Year	Late Fee - Existing Position		Late Fee- Proposed change	
	GSTR-9	GSTR-9C	GSTR-9	GSTR-9C
2017-18	Governed under section 44 and late fees is levied under section 47(2) of CGST, Act 2017 (Refer Note 1 to 3)	Governed under section 35(5) and late fees is levied by department under section 125 of CGST, Act 2017. It is disputed. (Refer Note 6)	No waiver	Refer Note 5: Late fee waiver is available for GSTR 9C of FY 2017-18 to 2022-23 with certain conditions)
2018-19				
2019-20				
2020-21		Governed under section 44 and late fees is levied under section 47(2) of CGST, Act 2017 (Refer Note 1 to 3)		
2021-22				
2022-23	Governed under section 44 and late fees is levied under section 47(2) of CGST, Act 2017 (Refer Note 4)		No waiver	
2023-24				No waiver

Authors' Note:

- Readers may mark that at present, GSTR 9 and 9C both are being governed by single provision i.e. section 44 and so, late fee is stipulated by section 47(2) for delayed filing of both of the forms. Therefore, where GSTR 9 is furnished but GSTR 9C is not furnished, then late fee is still applicable.
- For initial 3 financial years, there are separate governing provisions for GSTR 9 [Sec 44] and GSTR 9C [Sec 47(2)] resultantly, section 47(2) was not applicable on delayed filing of GSTR 9C.

Waiver of late fee: Provisions in Act & Notification



1. **Statutory Provision for late fee :** As per section 47(2) if any registered person fails to furnish return required under section 44 by the due date, then it shall be liable to pay late fee of INR 200 (100 in CGST Act +100 in SGST/UTGST Act) per day or 0.5% (0.25% in CGST Act +0.25% in SGST/UTGST Act) of turnover.

2. Also, waiver of late fees is provided through issuance of notification by exercising the powers conferred by section 128.

3. **First Waiver:** [N/N 7/2023-CT -31-03-2023 as amended]

From F.Y. 2017-18 to 2021-22, waiver is applicable only if the annual return is furnished between 01/04/2023 to 31/08/2023, then the total amount of late fee under section 47 shall stand waived which is in excess of INR 20000 (10,000 in CGST Act +10,000 % in SGST/UTGST Act)

4. **Ongoing Waiver for small taxpayer** [N/N 7/2023-CT, Dated 31-03-2023]

Further, from the financial year 2022-23 onwards, the taxpayer is required to pay following late fee of (instead of late fee envisaged under the Act) :

- Rs. 50 per day (Rs. 25 for CGST and Rs. 25 for SGST), where registered persons having an aggregate turnover of up to five crore rupees in the relevant financial year.
- Rs. 100 per day (Rs. 50 for CGST and Rs. 50 for SGST), where registered persons having an aggregate turnover of more than five crores rupees and up to twenty crore rupees in the relevant financial year.

5. **New Waiver:** Now again waiver is made available for late fee of delayed filing of GSTR 9C for FY 2017-18 to FY 2023-24 subject to certain conditions (detailed in next slide). [N/N 08/2025-CT, Dated 23 Jan 2025]

6. **General Penalty :** Section 125 of CGST Act, 2017 stipulates the maximum penalty is INR 25,000 in CGST Act + INR 25,000 in SGST/UTGST Act)

Eligibility criteria to take the benefit of waiver of late fee of GSTR 9C



Cumulative conditions:

- ❑ Waiver is for late fee for the financial years 2017-18 to 2022-23. [**Note:** FY 2023-24 is not covered] **which is in excess of the late fee payable u/s 47** upto the date of furnishing of GSTR-9 for the said financial year.
Authors' Note: Technically speaking, Sec 47(2) is not applicable for determining the late fee for FY 2017-18 to 2019- 20. But notification provides the waiver for late fee **which is in excess of the late fee payable u/s 47**. For the initial three financial years, Form GSTR-9C does not have any nexus with Section 44. Consequently, the late fee for GSTR-9C does not fall under the purview of Section 47(2). Despite this, where department has issued notices for the late fee u/s 125 of CGST Act for the initial 3 FYs, this beneficiary notification will work for the pending cases.
- ❑ Registered person who were required to furnish reconciliation statement in GSTR-9C along with the annual return in FORM GSTR-9 for the said financial year but failed to furnish the same along with the said return in FORM GSTR-9.
Authors' Note: Those who have furnished GSTR 9 but did not furnish GSTR 9C in time may take the benefit of this waiver.
- ❑ Registered person furnishes GSTR-9C, between 23 January 2025* to 31 March, 2025 [**Note:** * indicates the effective date of N/N 08/2025-CT i.e. 23 Jan 2025]

Sun does not rise for those who have paid the late fee earlier !!

- ❑ Those who have paid the late fee for delayed filing of GSTR-9C for the financial years 2017-18 to 2022-23 are the proud partners in national building. Oh !!
- ❑ No refund of late fee already paid in respect of delayed furnishing of GSTR-9C for the said financial years shall be available. [N/N 08/2025-CT, Dated 23 Jan 2025]



55th GST Council Meeting- Recommendation (Extract of Press Release)



Clarification regarding applicability of late fee for delay in furnishing of FORM GSTR-9C and providing waiver of late fee on delayed furnishing of FORM GSTR-9C for the period from 2017-18 to 2022-23:

- a) The GST Council recommended to clarify through a circular that the late fee under Section 47(2) of the CGST Act, 2017 is leviable for the delay in filing the **complete** annual return under Section 44 of the CGST Act, 2017, which includes both FORM GSTR-9 (Annual Return) and FORM GSTR-9C (Reconciliation Statement), where applicable.
- b) For the annual returns pertaining to the period 2017-18 to 2022-23, the GST Council also recommended to issue **notification** under section 128 of CGST Act, 2017 for waiver of the amount of late fee for delayed filing of FORM GSTR-9C, which is in excess of the amount of late fee payable till the date of filing of FORM GSTR-9 for the said financial years, provided the said FORM GSTR-9C is filed on or before 31st March 2025.

Authors' Note for Point (a): As per amended provision of section 44, 'Reconciliation Statement' is forming part of Annual return. It is to be clarified by the circular.

Section 44. Annual return. -

(1) Every registered person, other than an Input Service Distributor, a person paying tax under section 51 or section 52, a casual taxable person and a non-resident taxable person shall furnish an annual return which may include a self-certified reconciliation statement, reconciling the value of supplies declared in the return furnished for the financial year, with the audited annual financial statement for every financial year electronically, within such time and in such form and in such manner as may be prescribed:

Provided that the Commissioner may, on the recommendations of the Council, by notification, exempt any class of registered persons from filing annual return under this section:

Provided further that nothing contained in this section shall apply to any department of the Central Government or a State Government or a local authority, whose books of account are subject to audit by the Comptroller and Auditor-General of India or an auditor appointed for auditing the accounts of local authorities under any law for the time being in force.

(2) A registered person shall not be allowed to furnish an annual return under sub-section (1) for a financial year after the expiry of a period of three years from the due date of furnishing the said annual return:

Provided that the Government may, on the recommendations of the Council, by notification, and subject to such conditions and restrictions as may be specified therein, allow a registered person or a class of registered persons to furnish an annual return for a financial year under sub-section (1), even after the expiry of the said period of three years from the due date of furnishing the said annual return.

Section 47. Levy of late fee

(2) Any registered person who fails to furnish the return required under section 44 by the due date shall be liable to pay a late fee of one hundred rupees for every day during which such failure continues subject to a maximum of an amount calculated at a quarter per cent. of his turnover in the State or Union territory.

Section 35. Accounts and other records

Omitted vide Notification no. 29/2021-CT dated 30.07.2021, prior to omission sub-section (5) was as under-

(5) Every registered person whose turnover during a financial year exceeds the prescribed limit shall get his accounts audited by a chartered accountant or a cost accountant and shall submit a copy of the audited annual accounts, the reconciliation statement under sub-section (2) of section 44 and such other documents in such form and manner as may be prescribed.

Provided that nothing contained in this sub-section shall apply to any department of the Central Government or a State Government or a local authority, whose books of account are subject to audit by the Comptroller and Auditor-General of India or an auditor appointed for auditing the accounts of local authorities under any law for the time being in force.

Section 125. General penalty

Any person, who contravenes any of the provisions of this Act or any rules made thereunder for which no penalty is separately provided for in this Act, shall be liable to a penalty which may extend to twenty-five thousand rupees.

Section 128. Power to waive penalty or fee or both

The Government may, by notification, waive in part or full, any penalty referred to in section 122 or section 123 or section 125 or any late fee referred to in section 47 for such class of taxpayers and under such mitigating circumstances as may be specified therein on the recommendations of the Council.

Thank You



CHURCHGATE: 209, Standard House, 83, MK Road,
Next to Axis Bank, Marine Lines, Churchgate, Mumbai.

FORT: 729 , BSE Building, Rotunda Tower, Dalal Street,
Fort, Mumbai



info@lawbrothers.in



+91 94607 24737

Token of Appreciation

We would like to extend our heartfelt gratitude to **CA. Manthan Gandhi** for his exceptional efforts and dedication in preparing this presentation. His hard work and collaboration have significantly contributed to the preparation of this deck.



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